RELEASE AS SANITIZED

## 1997

## LATIN AMERICA

9. Cuban-Inspired Anti-US Demonstrations Possible in Panama: A spokesman for president-elect Roberto F. Chiari told the US ambassador in Panama on 6 June that incumbent President de la Guardia had expressed to Chiari concern over increasing Cuban influence in Panama. De la Guardia allegedly mentioned reports that Panamanian students, in an anti-US protest, may refuse this year to observe the 4 July holiday--customary in view of Panama's close ties with the US. According to Chiari, the students' plan to attend classes that day is Cuban inspired.

The Chiari emissary also said that De la Guardia reported he was under heavy Cuban pressure to invite President Dorticos -- currently on a tour of six Latin American countries -- to visit Panama. De la Guardia allegedly added that, while he did not wish to extend the invitation, he was hard put to find a valid excuse for refusing.

The spokesman indicated Chiari's concern over reports that students from neighboring countries may join Panamanian students in a sovereignty demonstration scheduled to take place on 3 November, anniversary of last year's serious anti-US manifestations. As a result of the efforts of Panamanian delegates, a resolution to this effect was approved at the 11-14 May Central American University Students Congress in Tegucigalpa. Chiari, who assumes the presidency on 1 October, is said to have suggested the display of a Panamanian flag in the Canal Zone on 4 July as a means of discouraging any demonstrations then or later, but affirmed that he would insist on maintaining law and order in any anti-US outburst occurring after his inauguration. Both Chiari and US officials in Panama are convinced, however, that violence is possible should a demonstration materialize.

10.

NOT RELEVANT TO BAY OF PIGS

CURRENT INTELLIGENCE DIGEST

Page 7